

AMENDED IN ASSEMBLY APRIL 5, 2006

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2104**

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**Introduced by Assembly Member Lieber**

February 17, 2006

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An act to amend Section 739.1 of the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2104, as amended, Lieber. Energy: California Alternate Rates for Energy program.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and gas corporations. Existing law requires the commission to establish a program of assistance to low-income electric and gas customers, referred to as the California Alternate Rates for Energy (CARE) program.

Existing law requires, when gas or electric service is provided by a master-meter customer to users who are tenants of a mobilehome park, apartment building, or similar residential complex, that the master-meter customer charge each user at the same rate as would apply if the user were receiving gas or electricity directly from the gas or electrical corporation.

This bill would require the commission, *by December 31, 2007*, to improve the CARE application process for tenants of a mobilehome park, apartment building, or similar residential complex receiving electric or gas service from a master-meter customer through a submetered system by developing processes whereby electrical corporations and gas corporations are able to directly accept CARE

applications from those tenants and to directly notify and provide renewal applications to tenants that are existing CARE customers. *These requirements would be repealed on January 1, 2008.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. (a) The Public Utilities Commission shall, by*  
2     *December 31, 2007, improve the California Alternative Rates for*  
3     *Energy or CARE program application process for tenants of a*  
4     *mobilehome park, apartment building, or similar residential*  
5     *complex, receiving electric or gas service from a master-meter*  
6     *customer through a submetered system pursuant to Section*  
7     *739.5, by doing both of the following:*

8     *(1) Developing processes whereby electrical corporations and*  
9     *gas corporations are able to directly accept CARE applications*  
10    *from tenants of a mobilehome park, apartment building, or*  
11    *similar residential complex.*

12    *(2) Developing processes whereby electrical corporations and*  
13    *gas corporations are able to directly notify and provide renewal*  
14    *applications to tenants of a mobilehome park, apartment*  
15    *building, or similar residential complex, that are existing CARE*  
16    *customers.*

17    *(b) This section shall remain in effect only until January 1,*  
18    *2008, and as of that date is repealed, unless a later enacted*  
19    *statute, that is chaptered before January 1, 2008, deletes or*  
20    *extends that date.*

21    ~~SECTION 1. Section 739.1 of the Public Utilities Code is~~  
22    ~~amended to read:~~

23    ~~739.1. (a) The commission shall establish a program of~~  
24    ~~assistance to low-income electric and gas customers, the cost of~~  
25    ~~which shall not be borne solely by any single class of customer.~~  
26    ~~The program shall be referred to as the California Alternate Rates~~  
27    ~~for Energy or CARE program. The commission shall ensure that~~  
28    ~~the level of discount for low-income electric and gas customers~~  
29    ~~correctly reflects the level of need.~~

30    ~~(b) The commission shall work with the public utility~~  
31    ~~electrical and gas corporations to establish penetration goals. The~~  
32    ~~commission shall authorize recovery of all administrative costs~~

1 associated with the implementation of the CARE program that  
2 the commission determines to be reasonable, through a balancing  
3 account mechanism. Administrative costs shall include, but are  
4 not limited to, outreach, marketing, regulatory compliance,  
5 certification and verification, billing, measurement and  
6 evaluation, and capital improvements and upgrades to  
7 communications and processing equipment.

8 (c) The commission shall examine methods to improve CARE  
9 enrollment and participation. This examination shall include, but  
10 need not be limited to, comparing information from CARE and  
11 the Universal Lifeline Telephone Service (ULTS) to determine  
12 the most effective means of utilizing that information to increase  
13 CARE enrollment, automatic enrollment of ULTS customers  
14 who are eligible for the CARE program, customer privacy issues,  
15 and alternative mechanisms for outreach to potential enrollees.  
16 The commission shall ensure that a customer consents prior to  
17 enrollment. The commission shall consult with interested parties,  
18 including ULTS providers, to develop the best methods of  
19 informing ULTS customers about other available low-income  
20 programs, as well as the best mechanism for telephone providers  
21 to recover reasonable costs incurred pursuant to this section.

22 (d) The commission shall improve the CARE application  
23 process by cooperating with other entities and representatives of  
24 California government, including the California Health and  
25 Human Services Agency and the Secretary of California Health  
26 and Human Services, to ensure that all gas and electric customers  
27 eligible for public assistance programs in California that reside  
28 within the service territory of an electrical corporation or gas  
29 corporation, are enrolled in the CARE program. To the extent  
30 practicable, the commission shall develop a CARE application  
31 process using the existing ULTS application process as a model.  
32 The commission shall work with public utility electrical and gas  
33 corporations and the Low-Income Oversight Board established in  
34 Section 382.1 to meet the low-income objectives in this section.

35 (e) The commission shall improve the CARE application  
36 process for tenants of a mobilehome park, apartment building, or  
37 similar residential complex, receiving electric or gas service from  
38 a master-meter customer through a submetered system pursuant  
39 to Section 739.5, by doing both of the following:

1     ~~(1) Developing processes whereby electrical corporations and~~  
2     ~~gas corporations are able to directly accept CARE applications~~  
3     ~~from tenants of a mobilehome park, apartment building, or~~  
4     ~~similar residential complex.~~

5     ~~(2) Developing processes whereby electrical corporations and~~  
6     ~~gas corporations are able to directly notify and provide renewal~~  
7     ~~applications to tenants of a mobilehome park, apartment~~  
8     ~~building, or similar residential complex, that are existing CARE~~  
9     ~~customers.~~

10    ~~(e) The commission's program of assistance to low-income~~  
11    ~~electric and gas customers shall, as soon as practicable, include~~  
12    ~~nonprofit group living facilities specified by the commission, if~~  
13    ~~the commission finds that the residents in these facilities~~  
14    ~~substantially meet the commission's low-income eligibility~~  
15    ~~requirements and there is a feasible process for certifying that the~~  
16    ~~assistance shall be used for the direct benefit, such as improved~~  
17    ~~quality of care or improved food service, of the low-income~~  
18    ~~residents in the facilities. The commission shall authorize utilities~~  
19    ~~to offer discounts to eligible facilities licensed or permitted by~~  
20    ~~appropriate state or local agencies, and to facilities, including~~  
21    ~~women's shelters, hospices, and homeless shelters, that may not~~  
22    ~~have a license or permit but provide other proof satisfactory to~~  
23    ~~the utility that they are eligible to participate in the program.~~

24    ~~(f) It is the intent of the Legislature that the commission~~  
25    ~~ensure CARE program participants are afforded the lowest~~  
26    ~~possible electric and gas rates and, to the extent possible, are~~  
27    ~~exempt from additional surcharges attributable to the current~~  
28    ~~energy crisis.~~